

General Manager  
Business Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Received 27/10/09  
COR 2009/02107

16 October 2009

Dear Sir

**Submission on Research and Development Tax Incentive Consultation Paper**

We await the ultimate outcome of the Government's initiative to make significant changes to Australia's Research and Development tax incentive following the findings of its review of the National Innovation System detailed in its report of May 2009, *Powering Ideas*.

We support the reform objectives of making the new R&D tax incentive more effective in delivering support for business R&D, in targeting that support to where it is most likely to produce net-benefits for the Australian community and, just as importantly, making the rules less complex to understand and more predictable in their application.

***Some comments relevant to our situation -***

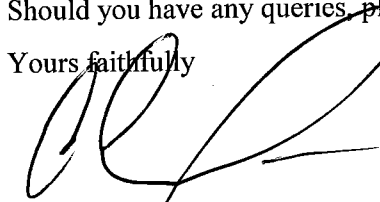
We also strongly support the Government's recommendation to enable companies to report the R&D credit "above the line".

We are concerned that the proposed changes to the current R&D definition will generate unwarranted confusion, uncertainty and unpredictability.

We have only recently utilised The R&D Tax Concession but have found these incentives have been effective for us and assisted the funding of our R&D activities which has underpinned our company's growth and development. However, we are concerned that the radical changes proposed will adversely impact our ability to utilise the benefits of the incentives in furthering our R&D and its commercialisation.

Should you have any queries, please do not hesitate to contact me.

Yours faithfully



**Andrew Crawford**

**Finance Manager**

**Trelleborg Holdings (Australia) Pty Ltd**

PO Box 484, Virginia, QLD 4014, Australia. Street Address: 515 Zillmere Rd, Zillmere, QLD 4034

Phone: +61 7 3866 7444, Fax: +61 7 3263 4912

Email: [tqr.info@trelleborg.com](mailto:tqr.info@trelleborg.com) A.B.N: 49 096 223 568

